

Hearing Date And Time: February 24, 2009 at 10:00 a.m. (prevailing Eastern time)
Objection Deadline: February 17, 2009 at 4:00 p.m. (prevailing Eastern time)

Charles Ronald Musgrave
216 North 600 East
Greentown, IN 46936
(765) 628-3421

Salaried Employee of Delphi Corporation
Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re : Chapter 11
DELPHI CORPORATION, et al., :
Debtors. : Case No. 05-44481 (RDD)
: (Jointly Administered)
:
-----X

**OBJECTION AND LETTER IN OPPOSITION TO DELPHI'S MOTION FOR ORDER
UNDER 11 U.S.C. §§ 105, 363(b)(1), AND 1108 CONFIRMING DEBTORS' AUTHORITY
TO TERMINATE EMPLOYER-PAID POSTRETIREMENT HEALTH CARE
BENEFITS AND EMPLOYER-PAID POST-RETIREMENT LIFE INSURANCE
BENEFITS FOR CERTAIN (A) SALARIEDEMPLOYEES AND (B) RETIREES AND
THEIR SURVIVING SPOUSES ("SALARIED OPEB TERMINATION MOTION")**

PRELIMINARY STATEMENT

I am a retired Delphi employee. I began working at the Kokomo, Indiana facility for General Motors April 16, 1962. I started my career as an hourly worker and worked my way up the ladder and entered salary management. I retired as a salaried employee from Delphi Corp. on September 1, 2002. I was a loyal and dedicated employee for over 40 years. Over the last decade, I have watched benefits for salaried employees be reduced or completely

eliminated including COLA adjustments and health insurance coverage, while hourly workers have sustained their similar benefits. Once again, by means of the Debtors recently filed Motion, we are the group facing further elimination of benefits. As the court knows, the Debtor, Delphi Corp. filed a motion with the U.S. Bankruptcy Court to discontinue healthcare and life insurance coverage for retirees such as myself. The notice also stated Retiree Health Reimbursement Accounts (RHRA) would be eliminated. This account was established as part of the “deal” a couple of years ago when Delphi terminated health insurance coverage for retirees once they reach 65 years of age. (See Ex. A for my personal balance information).

I am opposing the Debtor’s Motion for the following reasons:

- 1) The obligation Delphi has to provide health care coverage for retirees is time limited and has already been reduced in recent years. Retirees hired after 1992 do not receive health care coverage in retirement. For others like myself who worked over 40 years for the company, we were informed medical coverage for retirees stops when they reach age 65 and obtain Medicare benefits. Thank fully, my spouse and I have recently reached the age of 65 and are eligible for Medicare coverage. Many in this class of retirees are not so fortunate.
- 2) People hired after December 31, 1992 knew they would not receive health care coverage in retirement at the time of their hire. Therefore, they have had time to plan for health care in retirement. People such as myself who were hired in the 1960’s were told by the company we would receive health care coverage in retirement for ourselves and elected spouses. Over the years this was presented to us as a benefit of our employment. Termination of these benefits is devastating to those retired but not yet eligible for Medicare. The proposed cost of health insurance for a retiree and his/her spouse will cost approximately one-fourth to one-third of their fixed retirement income to sustain medical coverage.

- 3) Likewise, people hired after December 31, 1992 knew they would not receive life insurance coverage in retirement at the time of their hire. Again, this class of employees have had time to plan for their future and acquire appropriate life insurance coverage to meet the needs of their family. Those who worked for the company for decades like myself were again told by the company we would receive the life insurance coverage as a benefit of our employment. Simply terminating these benefits for retirees such as myself is heartless. We have reached the time in our lives where life insurance is a critical means of making sure our families are cared for when we are gone. Obtaining the level of life insurance I was promised from my former employer on our fixed income is impossible.
- 4) The motion made by Delphi is for permanent elimination of health care benefits for salaried people who were promised this coverage when they retire. When the company recovers, emerges from bankruptcy, receives federal funds to maintain its obligations and continue business, and the executives are receiving their bonuses, it only seems fair and just that the company would honor its commitment to provide health care coverage and life insurance benefits to those who worked to building the company. I devoted 40 years to this company. We were promised coverage. We relied on the representations and promises of our long term employer. The group most affected by this proposal, the present retirees hired before 1993, is the group most unable to recover from this broad sweeping termination of coverage and benefits. For these reasons I urge this Court to carefully review the impact of the Debtor's Motion to terminate these benefits and to deny the Motion.

CONCLUSION

Myself and others like me have worked for GM and Delphi. We have dedicated our working careers to making GM and then Delphi the best company we could. We were loyal employees who in turn anticipate honesty, fairness, and at least some sense of appreciation and loyalty from our long term employer.

The extraordinary and difficult economic times that the auto industry faces are understood. Sacrifices have been made and likely more will be necessary. If temporary modifications to the health and life insurance plans need to be made to ensure the company's survival, then those options must be considered. However, permanent elimination of health care coverage and life insurance benefits for salaried retirees is not justified. Under this reorganization the same groups continue to face the most drastic reductions and eliminations. The class of retirees simply cannot withstand these terminations without drastic economic impact.

I appreciate the Court's time and attention. I ask that my arguments be considered and respectfully request the Court deny the Debtor's Motion to terminate these benefits for myself, my family and others like me who worked their entire career for this company. We depended on the representations these benefits would exist for us. To terminate them at this point sends a message that loyalty, dedication, and hard work will not be rewarded or even justly compensated.

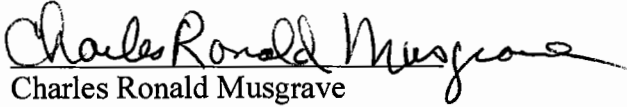
Respectfully submitted on this the 13th day of February, 2009.

A handwritten signature in cursive script, reading "Charles R. Musgrave".

Charles Ronald Musgrave
216 North 600 East
Greentown, IN 46936
(765) 628-3421

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served upon the following Courts and individuals listed below by placing copy of the same in the United States Mail, postage prepaid on this the 12th day of February, 2009:


Charles Ronald Musgrave

United States Bankruptcy Court (2 Copies *via* Overnight Mail)
Southern District of New York
One Bowling Green
New York, NY 10004-1408
Attn: Dorothy Li
Attn: Honorable Judge Robert d.Drain

Delphi Corporation
5725 Delphi Drive
Troy, MI 48098
Attn: General Counsel

Skadden, Arps, Slate, Meagher & Flom, LLP
333 West Wacker Drive
Suite 2100
Chicago, IL 60606
Attn: John Wm. Butler, Jr.

Davis Polk & Wardwell
450 Lexington Avenue
New York, NY 10017
Attn: Donald Bernstein and Brian Resnick

Latham & Watkins, LLP
885 Third Avenue
New York, NY 10022
Attn: Robert J. Rosenberg and Mark A. Broude

Fried, Frank, Harris, Shriver & Jacobson, LLP
One New York Plaza
New York, NY 10004
Attn: Bonnie Steingart

Office of the United States Trustee for the Southern District of New York
33 Whitehall Street
Suite 2100
New York, NY 10004
Attn: Brian Masumoto

MANAGE MY ACCOUNTS

Suggestion 



Enroll, Change or Cancel



Print Pay Me Back Claim Form



View Account Activity



View Claims & Payments



View Account Statement



View/Compare Plans



View What's/Who's Covered



Edit My Profile



Contact Customer Service

HEALTH CARE DASHBOARD

**Retiree Health
Reimbursement
Account**

1-Jan-07 to ...

No deadline to Spend It or Claim It.



■ Election Amount \$20,000.00
░ Available Balance **\$14,361.98**

EXHIBIT

A

ACCOUNT ACTIVITY



Print Page

Plan: Retiree Health Reimbursement Account (HRA): 01-Jan-07 to .. ▾

ACCOUNT DASHBOARD

Election Amount	Total Funds Out	Total Repayments	Available Balance
\$20,000.00	\$5,638.02	\$0.00	\$14,361.98

ACCOUNT ACTIVITY (Based on Date When Funds Moved In / Out of Account)

This section is like a virtual check register for your account, where you can see funds moved in and out of your account and the resulting balance following each transaction.

Date	Paid/Description	Service/Payroll Date	Type	Qualified	Payment	Funds In()	Funds Out(-)	Balance(=)
12-Jan-09	MUSGRAVE CHARLES	05-Jan-09	Pay Me Back	Yes	\$300.00		\$300.00	\$14,361.98
12-Dec-08	MUSGRAVE CHARLES	05-Dec-08	Pay Me Back	Yes	\$250.00		\$250.00	\$14,661.98
12-Nov-08	MUSGRAVE CHARLES	05-Nov-08	Pay Me Back	Yes	\$250.00		\$250.00	\$14,911.98
13-Oct-08	MUSGRAVE CHARLES	06-Oct-08	Pay Me Back	Yes	\$250.00		\$250.00	\$15,161.98
09-Sep-08	MUSGRAVE CHARLES	05-Sep-08	Pay Me Back	Yes	\$250.00		\$250.00	\$15,411.98
12-Aug-08	MUSGRAVE CHARLES	05-Aug-08	Pay Me Back	Yes	\$250.00		\$250.00	\$15,661.98
14-Jul-08	MUSGRAVE CHARLES	01-Jul-08	Pay Me Back	Yes	\$250.00		\$250.00	\$15,911.98
13-Jun-08	MUSGRAVE CHARLES	05-Jun-08	Pay Me Back	Yes	\$250.00		\$250.00	\$16,161.98
14-May-08	MUSGRAVE CHARLES	05-May-08	Pay Me Back	Yes	\$200.00		\$200.00	\$16,411.98
16-Apr-08	MUSGRAVE CHARLES	07-Apr-08	Pay Me Back	Yes	\$200.00		\$200.00	\$16,611.98
11-Mar-08	MUSGRAVE CHARLES	05-Mar-08	Pay Me Back	Yes	\$255.00		\$255.00	\$16,811.98
08-Feb-08	MUSGRAVE CHARLES	05-Feb-08	Pay Me Back	Yes	\$255.36		\$255.36	\$17,066.98
15-Jan-08	MUSGRAVE CHARLES	07-Jan-08	Pay Me Back	Yes	\$255.36		\$255.36	\$17,322.34
21-Dec-07	MUSGRAVE CHARLES	05-Dec-07	Pay Me Back	Yes	\$246.76		\$246.76	\$17,577.70
13-Nov-07	MUSGRAVE CHARLES	05-Nov-07	Pay Me Back	Yes	\$110.34		\$110.34	\$17,824.46
13-Nov-07	MUSGRAVE CHARLES	01-Nov-07	Pay Me Back	Yes	\$88.00		\$88.00	\$17,934.80
16-Oct-07	MUSGRAVE CHARLES	05-Oct-07	Pay Me Back	Yes	\$126.40		\$126.40	\$18,022.80
16-Oct-07	MUSGRAVE	01-Sep-07	Pay Me Back	Yes	\$176.00		\$176.00	\$18,149.20

CHARLES

05-Oct-07	MUSGRAVE CHARLES	01-Jan-07	Pay Me Back	Yes	\$704.00	\$704.00	\$18,325.20
13-Sep-07	MUSGRAVE CHARLES	05-Sep-07	Pay Me Back	Yes	\$126.40	\$126.40	\$19,029.20
16-Aug-07	MUSGRAVE CHARLES	06-Aug-07	Pay Me Back	Yes	\$126.40	\$126.40	\$19,155.60
31-Jul-07	MUSGRAVE CHARLES	05-Jul-07	Pay Me Back	Yes	\$126.40	\$126.40	\$19,282.00
31-Jul-07	MUSGRAVE CHARLES	05-Jun-07	Pay Me Back	Yes	\$126.40	\$126.40	\$19,408.40
25-May-07	MUSGRAVE CHARLES	07-May-07	Pay Me Back	Yes	\$116.80	\$116.80	\$19,534.80
25-May-07	MUSGRAVE CHARLES	05-Apr-07	Pay Me Back	Yes	\$116.80	\$116.80	\$19,651.60
23-Mar-07	MUSGRAVE CHARLES	05-Mar-07	Pay Me Back	Yes	\$116.80	\$116.80	\$19,768.40
23-Mar-07	MUSGRAVE CHARLES	05-Feb-07	Pay Me Back	Yes	\$114.80	\$114.80	\$19,885.20
01-Jan-07	Election		Deposit	N/A	\$20,000.00	\$20,000.00	

*These tables may not reflect recent transactions that have not yet been posted to your account.